

## EXHIBIT 4



# From zero to 4, by the end of the driveway

## Wheels

BY STEPHEN WILLIAMS

Imagine it's Christmas morning. You wake up and head straight to the living-room tree. Under its green branches is a bright yellow Mercedes-AMG GT sports car with your name on it.

And you're only 3 years old. This is no ordinary Mercedes, even though electric braking, power steering, leather seating and spring shock absorbers come standard.

While this four-foot-long electric vehicle may technically be a toy — it sells for \$400, destination charges included — the single-seater convertible is licensed by Daimler, the German parent company of Mercedes-Benz, to Moderno Kids. The battery drives the wheels (they light up!) to a top speed of 4 miles an hour. A touch screen in the dash displays videos and plays music. The headlights are LEDs, just like those in Mom's or Dad's \$70,000 Benz.

Ride-on vehicles — a toy category that includes cars, trucks, tractors and the occasional front-loader — are aimed at a wide swath of boys and girls, ranging in age from 1 year to 6 and even older. When it comes to power, the six- or 12-volt battery can be recharged with a household plug. Range anxiety? Only if they leave the subdivision.

“Kids mainly want to be like grown-ups, and grown-ups have cars,” said Heather MacKenzie of BestReviews, where she assesses dozens of children's toys and even drives a few. “But beyond that, these toys represent a degree of independence. They let the little ones keep up with the bigger kids. It evens the playing field when everybody's on wheels.”

And they are a big business for the toy industry.

In the category that includes electric and pedal ride-on toys (but not bicycles), annual revenues are about \$625 million, according to the NPD Group. And for the brands that license their names to these products, there are benefits as well.

They're not necessarily financial: Licensing royalties paid to Daimler on a \$400 ride-on toy might amount to 5 percent of the wholesale price, or about \$10, said Andrew Topkins of Brandgenuity, a licensing agency in New York.

“If they're selling thousands of these cars, the amounts are not insignificant,” Mr. Topkins said. “But it's more a marketing thing.”

What Mercedes, Jeep and Ford,



CHRISTOPHER DOLAN/THE TIMES-TRIBUNE, VIA ASSOCIATED PRESS

A Power Wheels Jeep in the Wilkes-Barre, Pa., Christmas parade in 2015. In the toy category that includes electric and pedal ride-on toys, annual revenues are about \$625 million.

among others, care more about is: “Does this do something for us that is a value to promulgate the brand?” said Martin Brochstein, a senior vice president of Licensing International.

“It's the beginning of building a relationship with the child,” he added. “And from the parent's perspective, it's ‘Hey, I'm able to give my kid a Mercedes.’ In that sense, it connects the adults to the brand even more tightly.”

Basic pedal-powered or push-powered rides sell for less than \$100. Most of the electric products, sold through stores including Walmart and Target and from Amazon online, cost \$300 to \$400.

Historically, before Louis Marx came along in the 1960s, a tricycle was just a tricycle: a red Radio Flyer was the standard. It was sort of clunky, and it

rusted if you left it in the rain (and we all did).

Then the designers at Mr. Marx's toy company reverse-engineered the common trike and flipped it. The Big Wheel sharply lowered the rider's center of gravity so that he or she didn't flip off the triangular perch on sharp turns. The molded plastic body and “tires” helped cushion the ride, the materials were fairly durable, and the low-to-the-ground illusion of speed enthralled kids.

After the Marx company went out of business in 1985, others took over the name, even as many toymakers rode the Big Wheel craze by churning out copies. The colorful three-wheeler was inducted into the Toy Hall of Fame a decade ago. These days, an original Big Wheel sells for up to \$200.

While some parents consider ride-on toys a rather innocuous excursion for tots, others take a different view.

“Electric toy vehicles are much more than mindless playthings,” said Neve Spicer, founder of We the Parents, another website that reviews gear for children. For example, electric ride-on toys, she said, “can offer rich learning opportunities, especially in the hands of a parent who is mad about mechanics and is willing to safely explore under the hood.”

“Then,” she added, “kids can learn some serious engineering and electronics in a very fun way.”

Parker Ouimet of Rochester, N.Y., has no trace of Mercedes envy, because his orange Kid Trax ride-on mower is the same color as the one his father, Eric, owns.

“I wanted a tractor just like Dad's, and I got one,” exclaimed Parker, who is 2.

But it's not just a guy thing, Ms. Spicer said. “A battery-powered ride-on car has a magical ability to bond father and daughter,” she said. “First, he gets to watch his little princess driving a mean-looking pickup. Then he gets to teach her about getting more torque out of her six-volt set of wheels.”

Ms. MacKenzie, of BestReviews, said: “I love that toys are becoming genderless. And marketed to both genders. Girls are just as much a part of this as boys.”

Besides the Moderno Mercedes, here's a look at a couple of children's wheels offerings for this season. Be assured that most will fit under a tree,

but they probably won't stay there long.

• **POWER WHEELS JURASSIC PARK JEEP WRANGLER (AGES 3 TO 7, \$300).** Does your 1983 diesel Volkswagen Rabbit make dinosaur sounds? So does this stylish Jeep, but in this case that's part of the fun. The Jeep can maneuver on grass as well as hard surfaces, carry a couple of passengers with a weight limit of 130 pounds and reach a top speed of 5 m.p.h. It stops automatically when Junior lifts off the “gas.” Did we mention it makes dinosaur sounds as well?

• **AMBOSSTOYS PRIMO (AGES 1 TO 5, \$160).** Miss the Italian Vespa scooter you coveted when Vespa scooters were in fashion? Here's a chance to hand down that vision in a simple, classic ride-on: No pedals, no power, just get rolling with the push of a pair of small legs. These sturdy, metal ride-ons are hand welded, with plastic “whitewall” wheels, and designed for single riders up to 44 pounds. It's basic transportation, kids-style.

• **KETTLER/ROLLY TOYS JOHN DEERE LOADER WITH BACKHOE (AGES 3 TO 6, \$340).** This ride-on is made in Germany, which might be enough to sway some parents into choosing it. With its oversize tires and tough plastic resin body, this machine looks the part of a serious work-horse.

• **PLASMACAR BY PLASMART (AGES 3 AND UP, ABOUT \$70).** A rather ingenious take on the no-frills ride-on toy: Just twist, turn and wiggle the steering wheel to attain a modest adrenaline surge as PlasmaCar (a rather odd name, no?) kicks up to 6 miles an hour. If Gramps can entice little Greta to let him borrow it, the toy will accommodate a weight of up to 220 pounds.

Here are some caveats before investing in a ride-on toy, according to Ms. MacKenzie.

• **SAFETY:** There are no governmental safety standards for these toys; before turning over the “keys,” parents are advised to dress youngsters in bike helmets and supervise their travels. Some electric ride-on toys come with remotes that allow some form of parental control.

• **AGE:** “We think 3 years is the minimum for an electric ride-on. It may not go fast, but it feels fast to a little kid.”

• **SIZE AND RIDER WEIGHT:** These are important considerations — the child's feet must be able to reach the pedals comfortably. Most ride-on products list recommended ages and weights, and whether the toy accommodates more than one rider.

• **RUGGEDNESS:** “We consider the ability of a toy to go over a variety of surfaces. Kids are hard on this stuff, they yank them around, they pull the steering column if they get stuck.”

# A Kentucky city struggles with growth

LOUISVILLE, KY.

## New complex may enliven an area, but offers little to lower-income families

BY KEVIN WILLIAMS

Virtually everyone in Louisville, the biggest city in Kentucky, agrees that a 3.5-acre triangle of land on the east side is underused. But they do not agree on the best plan to redevelop it.

The parcel is home to a haphazard collection of businesses: a coffee shop, a carwash, a dry cleaner, a Speedy Mart and a handful of other enterprises, most of which look like they have seen better days. But a Louisville developer is on the cusp of realizing a decades-old dream of a glittering new retail, residential and restaurant complex rising from the spot, which would be the largest private development in the city's history.

Some community advocates are pushing back, however, saying the project is not a good fit and does not include enough affordable housing to help the city's lower-income residents.

The development, christened One Park, was approved in October by the Louisville Metro Planning Commission. It would include 421 apartments and condominiums, a 250-room hotel, office complexes and more than 50,000 square feet for restaurants and retail. An interior garage would offer 1,202 parking spots.

The \$250 million project cleared the final hurdle this month when Louisville's Metro Council approved the zoning commission's recommendation.

The commission's go-ahead came after three years of jockeying, which included 13 sometimes contentious public hearings and several revised plans. The design initially proposed three 30-story towers. The revised project calls for one 18-story tower.

Mayor Greg Fischer of Louisville welcomed the planning commission's decision.

“Projects like One Park provide higher density and infill opportunities that create a more sustainable future,” Mr. Fischer said in a statement. Infill refers to building in areas surrounded by development.

Not everyone is convinced that the project, even scaled down, is a great idea.



LUKE SHARRETT FOR THE NEW YORK TIMES

The planned site for One Park, a \$250 million development in Louisville, Ky. About 20 of the project's 421 residential units will be reserved for so-called affordable housing.

“That first development was so incredibly, ridiculously out of scale,” said Mark Gaff, former president of the Crescent Hill Community Council and the group's spokesman. “The new, revised plan is better, but you are still talking that what was ludicrous and is now just ridiculous.”

The One Park parcel is hemmed in by busy roads on all three sides, while Interstate 64 creates an additional wall to the north. Beyond are some of Louisville's most distinctive neighborhoods and preservation districts, dotted with charmingly mismatched older homes, parks, schools and seminaries. Each neighborhood has its own identity with independent shops and cafes.

With a population of 615,366, Louisville is host to marquee events like the Kentucky Derby and the Breeders' Cup. College basketball, particularly the University of Louisville vs. University of Kentucky rivalry, adds to the energy.

But some say that Louisville also suffers from an inferiority complex. The city, for instance, is among the 10 largest in the United States without a professional sports team. And the growth of nearby Nashville and Cincinnati often overshadows that of Louisville.

“Louisville tends to be 15 to 20 years behind other peer cities,” said Kevin D. Cogan, whose Jefferson Development Group would build One Park.

Mr. Cogan attributes this lag to cautious conservatism, a holdover from the days when a handful of Louisville families with interests in spirits, tobacco

and banking ran the city. Those days are mostly past, but Louisville has never really caught up, Mr. Cogan said.

One Park is Mr. Cogan's answer to bringing Louisville into line with other cities that have been trying to develop property closer to their cores. Mr. Cogan said that developing infill parcels around the city with housing will help retain young workers and bring older people into the city.

Louisville has a network of 17 parks designed by Frederick Law Olmsted, with signature rambling trails, ponds and forests (he also designed Central Park in New York). One Park's proximity to one of them, Cherokee Park, is a selling point, Mr. Cogan said.

The development is a good use of an underused piece of land, said Kelly L. Kinahan, assistant professor in the University of Louisville's Department of Urban and Public Affairs. But she said she was concerned about the affordability of the apartments, because Louisville's greatest housing needs are for people or families whose incomes are 60 percent of the median or less, she said.

“This is part of a broader affordable housing crisis nationally, and we are finding the same issues in smaller and midsize metros like Louisville, that often gets overlooked in the national discussions,” Professor Kinahan said.

To address the issue, the city required that the development set aside 10 percent of the units as so-called affordable housing, an unusual action because One Park is 100 percent privately financed.

Eventually, a compromise was reached to make 5 percent of the project “affordable,” which translates to about 20 units.

Louisville faces a shortage of homes for families whose income is lower than the federal poverty level, according to a report released this year by the Louisville Metro Government's Office of Housing.

There are affordable homes for only 46 percent of these lowest-income families, with an estimated shortage of 31,412 units, the report says. One Park will do little to stem the lack of affordable housing.

Still, infill developments like One Park are better than more sprawl, especially for a city Louisville's size, said Kurt E. Christiansen, president of the American Planning Association, a professional organization based in Washington. With a development like One Park, residents can walk or bike to work instead of getting in a car.

“People are fleeing big cities and re-energizing smaller cities like Louisville,” he said.

Michaëlle Warner, a real estate agent in Louisville who lives in a neighborhood next to where One Park will be built, has seen the influx of millennials from other cities.

“We are seeing a lot of transplants from bigger cities moving here because it is affordable and there are a lot of amenities,” Ms. Warner said.

She said that One Park would be a perfect use for a piece of land that is confusing to navigate. She did express concern, though, that rising rents might price middle- and lower-income families out of the market.

One Park's rents are not yet set, but studio apartments in a new development in the southern suburbs of Louisville start at \$1,440 a month and include a host of amenities like a fitness center and an F1 Racing simulator in the common area, according to the website of the Ivy, Jefferson Development's newest apartment complex in Louisville.

For Mr. Cogan, One Park is just one of many opportunities to redevelop underused parcels in Louisville. He also plans to build an eight-story retail and residential complex with 343 units on an old parking lot closer to downtown.

Still, sometimes less is more, said Mr. Gaff of the Crescent Hill Community Council.

“It feels like our politicians are just concerned about growth to be a bigger city than what we are instead of a better city,” he said.

# French businesses hit hard by pension protests

FRANCE, FROM PAGE 6

hours,” said Mr. Depaeuw, whose company transports all manner of goods for major French retailers. “That stops us from doing our jobs.”

That troubles merchants around the country.

Laurent Durain, a fishmonger at the Marché d'Aligre, one of Paris's oldest and most vibrant food markets, was worried that the salmon he had ordered from Scotland for the Christmas rush wouldn't make it.

“If the refrigerated trucks are delayed by traffic and run out of gas, the refrigeration system stops and the authorities order the contents disposed of,” he said. Mr. Durain had ordered 1,200 oysters, and hired six additional helpers to shell them during the holidays.

“If business is down and people don't show up, I'll have to pay the help anyway,” he said.

Near his stand, a crowd gathered as Agnès Pannier-Runacher, deputy minister for economy and finance, toured the market to hear people's grievances and offer government help.

Valérie Quelen, the owner of a small framing boutique, elbowed her way to the front. Small businesses like hers are already struggling, she said angrily.

“Now the pension reform is being pushed forward at Christmas, just when we were hoping to be able to set some money aside,” she added. “How will we be able to pull through?”

Mélissa Godin and Daphne Angles contributed reporting from Paris.

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IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY, CIVIL ACTION NO. 2:15-06076 (MCA)  
SECURITIES AND EXCHANGE COMMISSION,  
Plaintiff,  
v.  
ARKADY DUBOVOY, et al.,  
Defendants.

LEGAL NOTICE TO:  
DEFENDANT OLEKSANDER JEREMENKO,  
DEFENDANT IVAN TUREVCHYNOV, AND  
DEFENDANT PAVEL DUBOVOY,  
NOTICE IS HEREBY GIVEN:  
You have been named as a defendant in a lawsuit filed by the U.S. Securities and Exchange Commission ("SEC") in the U.S. District Court for the District of New Jersey. The name of the case is SEC v. Dubovoy, et al., No. 2:15-06076 (MCA) (D.N.J.). The SEC alleges that you violated the antifraud provisions of the federal securities laws by engaging in a fraudulent scheme by hacking into (or working in concert with hackers who hacked into) the computer servers of at least two news wire services and stole, through deception, confidential earnings information for numerous publicly-traded companies that had not yet been released to the public, and using that stolen, material, non-public information to trade securities. The SEC seeks disgorgement of ill-gotten gains (plus prejudgment interest), a civil penalty and a permanent injunction from further violations of the antifraud provisions of the federal securities laws.  
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